

I. Contact group on campaign production

1. As an initial step, the group began to identify important elements that could help in solving problems arising during the final phase-out of CFC-based metered-dose inhalers. Group members were of the opinion that there was a general lack of data and information to determine clearly whether there was a genuine need for a final production campaign. After a comprehensive exchange of views on short and long-term problems, the group identified the following significant topics and questions (the list served as an agenda for the meetings of the contact group):

1. Elements of a campaign production:
 - (a) Ways to detect the need for a production campaign;
 - (b) Estimation of amounts of CFCs necessary to be produced;
 - (c) Strategies to avoid overproduction and insufficient production;
 - (d) Policy options.
2. Guidance to the Implementation Committee on Bangladesh's potential non-compliance
3. Essential-use process:
 - (a) Adequacy of the current regime;
 - (b) Guidance for essential-use applications for Parties operating under paragraph 1 of Article 5;
 - (c) Time frame;
 - (d) Awareness-raising.

A. Campaign production

2. The group was of the opinion that, in view of the lack of data and information, the Technology and Economic Assessment Panel could be requested to assess the amounts of CFCs required, consistent with decision IV/25 and possible essential-use applications submitted by Parties operating under paragraph 1 of Article 5. In that process the Panel should liaise with the Parties concerned and implementing agencies of the Multilateral Fund. The group observed that the quantities of non-pharmaceutical-grade CFCs should be minimized and destroyed.

3. Various views were expressed by the group on how to conduct and organize a campaign that would take into account ownership of material produced, storage and the logistical problems of supply and minimization of amounts for destruction.

B. Guidance to the Implementation Committee on Bangladesh's potential non-compliance

4. Bangladesh was seeking guidance on its potential non-compliance with CFC phase-out regulations that had been caused by difficulties associated with manufacturing metered-dose inhalers that used CFCs. The representative of Bangladesh observed that the matter had been reported to the Implementation Committee for a possible non-compliance decision. He subsequently submitted an informal paper to the group explaining a possible solution that the Parties could consider. In the ensuing discussion the group advised Bangladesh to sign quickly the agreements with UNDP and UNEP so that the projects approved by the Executive Committee could be implemented without further delay. Bangladesh had indicated to the group that it would be signing the pending contracts within the next two

months. The Party was also requested to submit data to the Secretariat in accordance with Article 7 of the Protocol. The Implementation Committee would review the reported information at its next meeting, taking into account decision XVIII/16, and recommend appropriate action to be taken.

C. Essential-use process

5. It was acknowledged that the essential-use process was extremely detailed, demanding and time-consuming, and, as such, the group expressed some urgency in tackling the issue. It was also noted that Parties operating under paragraph 1 of Article 5 might not be fully familiar with the application process that was required to enable the evaluation of information submitted by Parties. A consensus emerged that the current essential-use regime based upon decision IV/25 should be extended to Parties operating under paragraph 1 of Article 5.

6. It was also mentioned that there might be a need to review the handbook on essential uses to meet the requirements of Parties operating under paragraph 1 of Article 5. One Party provided examples of new information to be included in the essential-use application, which included submission of a phase-out strategy with indicative phase-out dates and volumes of CFCs, information on stocks and type of CFCs, information on prices of CFC metered-dose inhalers and available alternatives, and the situation of local manufacture compared to imported products. Essential-use nominations should be submitted for assessment by the Medical Technical Options Committee. The group said that the Medical Technical Options Committee should take into account the short time available for impending essential-use nominations, which had a deadline of 31 January 2009, and bear in mind unforeseeable circumstances when considering phase-out strategies, and suggested that the Medical Technical Options Committee might need to provide short-term technical support for those submissions. Parties not operating under paragraph 1 of Article 5 indicated that technical support could be provided to Parties that were so operating, to enable them to prepare applications for essential-use nominations.

D. Way forward

7. The group agreed that the Ozone Secretariat should carry out a review of all relevant decisions on essential uses in order to extend their applicability to essential-use nominations submitted by Parties operating under paragraph 1 of Article 5. A report by the co-chairs would be posted on the Secretariat's website for Parties to provide their comments by 15 September 2008. Subsequently, the co-chairs would endeavour to prepare a draft decision regarding essential-use applications for Parties operating under paragraph 1 of Article 5 for consideration by the Twentieth Meeting of the Parties in Doha in November 2008.